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STATE WATER RESOURCES CONTROL BOARD RESOLUTION NO. 2022-

ADOPTING IMPLEMENTATION PLANS FOR ADMINISTERING THE DRINKING WATER AND WASTEWATER ALLOCATIONS FROM THE BUDGET ACT OF 2021 BY AMENDING THE STATE FISCAL YEAR (SFY) 2021-22 (FEDERAL FISCAL YEAR 2021) INTENDED USE PLAN (IUP) FOR THE DRINKING WATER STATE REVOLVING FUND (DWSRF) AND THE SFY 2021-22 (FEDERAL FISCAL YEAR 2021) IUP FOR THE CLEAN WATER STATE REVOLVING FUND (CWSRF)

WHEREAS:

1. The Budget Act of 2021 (Senate Bill 129 and Senate Bill 170) appropriated \$1.55 billion to the State Water Resources Control Board (State Water Board) in Item 3940-106-0001 (2021 Budget Act Infrastructure Appropriation), which must be encumbered by June 30, 2024 and is subject to budget control provisions;
2. The Division of Financial Assistance (DFA) worked with the Division of Drinking Water (DDW), the Regional Water Quality Control Boards (Regional Water Boards), drinking water and wastewater system representatives, environmental justice groups, and other stakeholders to develop an implementation plan for the State Water Board's consideration to administer drinking water and wastewater funds appropriated under the 2021 Budget Act Infrastructure Appropriation;
3. DFA proposes to rely on existing funding processes outlined in the DWSRF and CWSRF IUPs as the basis for administering the 2021 Budget Act Infrastructure Appropriation funds for drinking water and wastewater funding, respectively;
4. DFA staff have developed targeted amendments to the SFY 2021-22 IUPs, to streamline funding processes and maximize opportunities for eligible projects;
5. Proposed mid-year amendments will apply to multiple funding sources currently administered under the IUPs, not just the 2021 Budget Act Infrastructure Appropriation; and
6. DFA conducted a public workshop via Zoom to discuss proposed amendments to the DWSRF and CWSRF IUPs. The Zoom meeting was webcast live on January 20, 2022 to allow stakeholders to participate remotely.
7. The Budget Act of 2021 allows the State Water Board to use the 2021 Budget Act Infrastructure Appropriation as the state match share of the CWSRF and DWSRF and California may need as much as \$85 million to match an estimated \$670 million in funds for federal fiscal year 2022.

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THEREFORE, BE IT RESOLVED THAT:

The State Water Board:

1. Approves the amended SFY 2021-22 DWSRF IUP;
2. Approves the amended SFY 2021-22 CWSRF IUP; and
3. Authorizes the Deputy Director of DFA to use up to \$85 million of the 2021 Budget Act Infrastructure Appropriation to provide the state match for the CWSRF and DWSRF.

CERTIFICATION

The undersigned Clerk to the Board does hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the State Water Resources Control Board held on March 15, 2022.

Jeanine Townsend
Clerk to the Board